

## House of Representatives

General Assembly

File No. 358

February Session, 2000

Substitute House Bill No. 5684

House of Representatives, April 3, 2000

The Committee on Government Administration and Elections reported through REP. KNOPP of the 137<sup>th</sup> Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## An Act Concerning The Freedom Of Information Act.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Subdivision (1) of section 1-200 of the general statutes is repealed and the following is substituted in lieu thereof:
- 3 (1) "Public agency" or "agency" means any executive, administrative 4 or legislative office of the state or any political subdivision of the state
- 5 and any state or town agency, any department, institution, bureau,
- 6 board, commission, authority or official of the state or of any city,
- town, borough, municipal corporation, school district, regional district
- 8 or other district or other political subdivision of the state, including
- 9 any committee of, or created by, any such office, subdivision, agency,
- 10 department, institution, bureau, board, commission, authority or
- 11 official, and also includes any judicial office, official, or body or
- 12 committee thereof but only in respect to its or their administrative
- 13 functions. "Public agency" includes an "implementing agency" as

- 14 <u>defined in section 32-222.</u>
- 15 Sec. 2. Subsection (b) of section 1-210 of the general statutes, as
- 16 amended by section 1 of public act 99-156, is repealed and the
- 17 following is substituted in lieu thereof:
- 18 (b) Nothing in the Freedom of Information Act shall be construed to 19 require disclosure of:
- 20 (1) Preliminary drafts or notes provided the public agency has 21 determined that the public interest in withholding such documents 22 clearly outweighs the public interest in disclosure;
- 23 (2) Personnel or medical files and similar files the disclosure of 24 which would constitute an invasion of personal privacy;
- 25 (3) Records of law enforcement agencies not otherwise available to 26 the public which records were compiled in connection with the 27 detection or investigation of crime, if the disclosure of said records 28 would not be in the public interest because it would result in the 29 disclosure of (A) the identity of informants not otherwise known or the 30 identity of witnesses not otherwise known whose safety would be 31 endangered or who would be subject to threat or intimidation if their 32 identity was made known, (B) signed statements of witnesses, (C) 33 information to be used in a prospective law enforcement action if 34 prejudicial to such action, (D) investigatory techniques not otherwise 35 known to the general public, (E) arrest records of a juvenile, which 36 shall also include any investigatory files, concerning the arrest of such 37 juvenile, compiled for law enforcement purposes, (F) the name and 38 address of the victim of a sexual assault under section 53a-70, 53a-70a, 39 53a-71, 53a-72a, 53a-72b or 53a-73a, or injury or risk of injury, or 40 impairing of morals under section 53-21, or of an attempt thereof, or 41 (G) uncorroborated allegations subject to destruction pursuant to 42 section 1-216;

(4) Records pertaining to strategy and negotiations with respect to 44 pending claims or pending litigation to which the public agency is a 45 party until such litigation or claim has been finally adjudicated or 46 otherwise settled;

- (5) (A) Trade secrets, which for purposes of the Freedom of Information Act, are defined as [unpatented, secret, commercially valuable plans, appliances, formulas or processes, which are used for the making, preparing, compounding, treating or processing of articles or materials which are trade commodities obtained from a person and which are recognized by law as confidential, and commercial] information, including formulas, patterns, compilations, programs, devices, methods, techniques, processes, drawings, cost data, or customer lists that (i) derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (ii) are the subject of efforts that are reasonable under the circumstances to maintain secrecy; and
- 61 <u>(B) Commercial</u> or financial information given in confidence, not 62 required by statute;
- 63 (6) Test questions, scoring keys and other examination data used to 64 administer a licensing examination, examination for employment or 65 academic examinations;
  - (7) The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by an agency relative to the acquisition of property or to prospective public supply and construction contracts, until such time as all of the property has been acquired or all proceedings or transactions have been terminated or abandoned, provided the law of eminent domain shall not be affected by this provision;

(8) Statements of personal worth or personal financial data required by a licensing agency and filed by an applicant with such licensing agency to establish his personal qualification for the license, certificate or permit applied for;

- (9) Records, reports and statements of strategy or negotiations with respect to collective bargaining;
- 79 (10) Records, tax returns, reports and statements exempted by 80 federal law or state statutes or communications privileged by the 81 attorney-client relationship;
  - (11) Names or addresses of students enrolled in any public school or college without the consent of each student whose name or address is to be disclosed who is eighteen years of age or older and a parent or guardian of each such student who is younger than eighteen years of age, provided this subdivision shall not be construed as prohibiting the disclosure of the names or addresses of students enrolled in any public school in a regional school district to the board of selectmen or town board of finance, as the case may be, of the town wherein the student resides for the purpose of verifying tuition payments made to such school;
- 92 (12) Any information obtained by the use of illegal means;
- 93 (13) Records of an investigation or the name of an employee 94 providing information under the provisions of section 4-61dd;
- 95 (14) Adoption records and information provided for in sections 45a-96 746, as amended, 45a-750 and 45a-751;
  - (15) Any page of a primary petition, nominating petition, referendum petition or petition for a town meeting submitted under any provision of the general statutes or of any special act, municipal charter or ordinance, until the required processing and certification of such page has been completed by the official or officials charged with

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such duty after which time disclosure of such page shall be required;

- (16) Records of complaints, including information compiled in the investigation thereof, brought to a municipal health authority pursuant to chapter 368e or a district department of health pursuant to chapter 368f, until such time as the investigation is concluded or thirty days from the date of receipt of the complaint, whichever occurs first;
- 108 (17) Educational records which are not subject to disclosure under 109 the Family Educational Rights and Privacy Act, 20 USC 1232g;
- (18) Records, the disclosure of which the Commissioner of Correction has reasonable grounds to believe may result in a safety risk, including the risk of harm to any person or the risk of an escape from, or a disorder in, a correctional institution or facility under the supervision of the Department of Correction. Such records shall include, but are not limited to:
- 116 (A) Security manuals, including emergency plans contained or 117 referred to in such security manuals;
- 118 (B) Engineering and architectural drawings of correctional 119 institutions or facilities;
- (C) Operational specifications of security systems utilized by the Department of Correction at any correctional institution or facility, except that a general description of any such security system and the cost and quality of such system, may be disclosed;
- 124 (D) Training manuals prepared for correctional institutions and 125 facilities that describe, in any manner, security procedures, emergency 126 plans or security equipment;
- 127 (E) Internal security audits of correctional institutions and facilities;
- 128 (F) Minutes or recordings of staff meetings of the Department of

129 Correction, or portions of such minutes or recordings, that contain or 130 reveal information relating to security or other records otherwise 131 exempt from disclosure under this subdivision;

- 132 (G) Logs or other documents that contain information on the 133 movement or assignment of inmates or staff at correctional institutions 134 or facilities; and
- 135 (H) Records that contain information on contacts between inmates, 136 as defined in section 18-84, and law enforcement officers.

137 Sec. 3. (NEW) (a) All data and other information received by the 138 Department of Economic and Community Development, the 139 Connecticut Development Authority or any implementing agency, as 140 defined in section 32-222 of the general statutes, or any advisory board 141 or committee of the department, authority or agency, from any person 142 in connection with an application for, or the provision of, financial 143 assistance, which consists of the following, shall be deemed, for 144 purposes of a public records request pursuant to the Freedom of 145 Information Act, as defined in section 1-200 of the general statutes, 146 made to the Department of Economic and Community Development, 147 the Connecticut Development Authority or any such implementing 148 agency, advisory board or committee, to be information described in 149 subdivision (5) of subsection (b) of section 1-210 of the general statutes, 150 as amended by this act: (1) Actual trade secrets or information that a 151 person intends to become a trade secret, (2) material that a person 152 intends to patent, (3) patented material, (4) marketing or business 153 plans, (5) plans for new products or services, (6) reports of customer 154 orders or sales or other documents that would disclose names and 155 addresses of customers or potential customers, (7) information 156 concerning the financial condition or personal affairs of any 157 individual, (8) financial statements or projections, (9) sales or earnings 158 forecasts, (10) capital or strategic plans, (11) information regarding research and development, (12) tax returns, or (13) other commercial, 159

credit or financial information with respect to the financial condition or

- 161 business operations of an applicant for or recipient of financial
- assistance which is of a type not customarily made available to the
- 163 public.
- (b) The enumeration in this section of particular types of data and
- information shall not be construed to limit the possible applicability of
- subdivision (5) of subsection (b) of section 1-210 of the general statutes,
- 167 as amended by this act, to other data or information not so
- 168 enumerated.
- Sec. 4. (NEW) All information contained in any application for
- 170 financial assistance submitted to the Department of Economic and
- 171 Community Development or the Connecticut Development Authority
- prior to October 1, 2000, and all information with respect to any person
- 173 or project, including all financial, credit and proprietary information,
- 174 obtained by the Department of Economic and Community
- 175 Development or the Connecticut Development Authority prior to
- October 1, 2000, or on or after October 1, 2000, pursuant to the
- 177 requirements of an agreement entered into prior to October 1, 2000,
- shall be exempt from the provisions of subsection (a) of section 1-210
- of the general statutes, as amended.
- Sec. 5. Section 2-90 of the general statutes is repealed and the
- 181 following is substituted in lieu thereof:
- 182 (a) The Auditors of Public Accounts shall organize the work of their
- 183 office in such manner as they deem most economical and efficient and
- shall determine the scope and frequency of any audit they conduct.
- (b) Said auditors, with the Comptroller, shall, at least annually and
- as frequently as they deem necessary, audit the books and accounts of
- 187 the Treasurer and certify the results to the Governor. The auditors
- shall, at least annually and as frequently as they deem necessary, audit
- the books and accounts of the Comptroller and certify the results to the

Governor. They shall examine and prepare certificates of audit with respect to the financial statements contained in the annual reports of the Treasurer and Comptroller, which certificates shall be made part of such annual reports.

- (c) Said auditors shall audit, on a biennial basis if deemed most economical and efficient, or as frequently as they deem necessary, the books and accounts of each officer, department, commission, board and court of the state government, all institutions supported by the state and all public and quasi-public bodies, politic and corporate, created by public or special act of the General Assembly and not required to be audited or subject to reporting requirements, under the provisions of chapter 111. Each such audit may include an examination of performance in order to determine effectiveness in achieving expressed legislative purposes. The auditors shall report their findings and recommendations to the Governor, the State Comptroller, the joint standing committee of the General Assembly having cognizance of matters relating to appropriations and the budgets of state agencies, and the Legislative Program Review and Investigations Committee.
- (d) The Auditors of Public Accounts may enter into such contractual agreements as may be necessary for the discharge of their duties. Any audit or report which is prepared by a person, firm or corporation pursuant to any contract with the Auditors of Public Accounts shall bear the signature of the person primarily responsible for the preparation of such audit or report. As used in this subsection, the term "person" means a natural person.
- (e) If the Auditors of Public Accounts discover, or if it should come to their knowledge, that any unauthorized, illegal, irregular or unsafe handling or expenditure of state funds or any breakdown in the safekeeping of any resources of the state has occurred or is contemplated, they shall forthwith present the facts to the Governor, the State Comptroller, the clerk of each house of the General Assembly,

the legislative Program Review and Investigations Committee and the

- 222 Attorney General. Any Auditor of Public Accounts neglecting to make
- such a report, or any agent of the auditors neglecting to report to the
- 224 Auditors of Public Accounts any such matter discovered by him or
- coming to his knowledge shall be fined not more than one hundred
- dollars or imprisoned not more than six months or both.
- 227 (f) All reports issued or made pursuant to this section shall be
- 228 retained in the offices of the Auditors of Public Accounts for a period
- of not less than five years. The auditors shall file one copy of each such
- 230 report with the State Librarian.
- 231 (g) Each state agency shall keep its accounts in such form and by
- 232 such methods as to exhibit the facts required by said auditors and, the
- 233 provisions of any other general statute notwithstanding, shall make all
- records and accounts available to them or their agents, upon demand.
- 235 (h) Where there are statutory requirements of confidentiality with
- 236 regard to such records and accounts or examinations of
- 237 nongovernmental entities which are maintained by a state agency,
- such requirements of confidentiality and the penalties for the violation
- 239 thereof shall apply to the auditors and to their authorized
- 240 representatives in the same manner and to the same extent as such
- 241 requirements of confidentiality and penalties apply to such state
- agency. In addition, the portion of any audit or report prepared by the
- 243 Auditors of Public Accounts that concerns the internal control
- 244 structure of a state information system shall not be subject to
- 245 disclosure under the Freedom of Information Act, as defined in section
- 246 1-200.
- Sec. 6. Subdivision (4) of subsection (b) of section 1-206 of the
- 248 general statutes is repealed and the following is substituted in lieu
- 249 thereof:
- 250 (4) Notwithstanding any provision of this subsection to the

251 contrary, in the case of an appeal to the commission of a denial by a 252 public agency, the commission may, upon motion of such agency, 253 confirm the action of the agency and dismiss the appeal without a 254 hearing if it finds, after examining the notice of appeal and construing 255 all allegations most favorably to the appellant, that (A) the agency has 256 not violated the Freedom of Information Act, or (B) the agency has 257 committed a technical violation of the Freedom of Information Act that 258 constitutes a harmless error that does not infringe the appellant's rights 259 under said act.

- Sec. 7. Subdivision (10) of subsection (c) of section 7-148 of the general statutes is repealed and the following is substituted in lieu thereof:
- 263 (10) (A) Make all lawful regulations and ordinances in furtherance 264 of any general powers as enumerated in this section, and prescribe 265 penalties for the violation of the same not to exceed one hundred 266 dollars, unless otherwise specifically provided by the general statutes. 267 Such regulations and ordinances may be enforced by citations issued 268 by designated municipal officers or employees, provided the 269 regulations and ordinances have been designated specifically by the 270 municipality for enforcement by citation in the same manner in which 271 they were adopted and the designated municipal officers or employees 272 issue a written warning providing notice of the specific violation 273 before issuing the citation;
- 274 (B) Adopt a code of ethical conduct;
- 275 (C) Establish and maintain free legal aid bureaus;
- 276 (D) Perform data processing and related administrative computer 277 services for a fee for another municipality;
- 278 (E) Adopt the model ordinance concerning a municipal freedom of 279 information advisory board created under subsection (f) of section 1-

280 <u>205, as amended by this act, and establish a municipal freedom of</u> 281 <u>information advisory board as provided by said ordinance and said</u> 282 section.

- Sec. 8. Section 1-205 of the general statutes is repealed and the following is substituted in lieu thereof:
- 285 (a) There shall be a Freedom of Information Commission consisting 286 of five members appointed by the Governor, with the advice and 287 consent of either house of the General Assembly, who shall serve for 288 terms of four years from the July first of the year of their appointment, 289 except that of the members appointed prior to and serving on July 1, 290 1977, one shall serve for a period of six years from July 1, 1975, one 291 shall serve for a period of four years from July 1, 1975, and one shall 292 serve for a period of six years from July 1, 1977. Of the two new 293 members first appointed after July 1, 1977, one shall serve from the 294 date of such appointment until June 30, 1980, and one shall serve from 295 the date of such appointment until June 30, 1982. No more than three 296 members shall be members of the same political party.
  - (b) Each member shall receive fifty dollars per day for each day such member is present at a commission hearing or meeting, and shall be entitled to reimbursement for actual and necessary expenses incurred in connection therewith, in accordance with the provisions of section 4-1.
  - (c) The Governor shall select one of its members as a chairman. The commission shall maintain a permanent office at Hartford in such suitable space as the Commissioner of Public Works provides. All papers required to be filed with the commission shall be delivered to such office.
    - (d) The commission shall, subject to the provisions of the Freedom of Information Act promptly review the alleged violation of said Freedom of Information Act and issue an order pertaining to the same.

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Said commission shall have the power to investigate all alleged violations of said Freedom of Information Act and may for the purpose of investigating any violation hold a hearing, administer oaths, examine witnesses, receive oral and documentary evidence, have the power to subpoena witnesses under procedural rules adopted by the commission to compel attendance and to require the production for examination of any books and papers which the commission deems relevant in any matter under investigation or in question. In case of a refusal to comply with any such subpoena or to testify with respect to any matter upon which that person may be lawfully interrogated, the superior court for the judicial district of Hartford, on application of the commission, may issue an order requiring such person to comply with such subpoena and to testify; failure to obey any such order of the court may be punished by the court as a contempt thereof.

- (e) The Freedom of Information Commission, and the Department of Information Technology with respect to access to and disclosure of computer-stored public records, shall conduct training sessions, at least annually, for members of public agencies for the purpose of educating such members as to the requirements of sections 1-7 to 1-14, inclusive, 1-16 to 1-18, inclusive, 1-200 to 1-202, inclusive, 1-205, 1-206, 1-210 to 1-217, inclusive, as amended, 1-225 to 1-232, inclusive, as amended, 1-240, 1-241 and 19a-342.
- (f) Not later than December 31, 2001, the Freedom of Information Commission shall create, publish and provide to the chief elected official of each municipality a model ordinance concerning the establishment by any municipality of a municipal freedom of information advisory board to facilitate the informed and efficient exchange of information between the commission and such municipality. The commission may amend the model ordinance from time to time.
- [(f)] (g) When the General Assembly is in session, the Governor shall

have the authority to fill any vacancy on the commission, with the advice and consent of either house of the General Assembly. When the General Assembly is not in session any vacancy shall be filled pursuant to the provisions of section 4-19. A vacancy in the commission shall not impair the right of the remaining members to exercise all the powers of the commission and three members of the commission shall constitute a quorum.

- [(g)] (h)The commission shall, subject to the provisions of chapter 67, employ such employees as may be necessary to carry out the provisions of this chapter. The commission may enter into such contractual agreements as may be necessary for the discharge of its duties, within the limits of its appropriated funds and in accordance with established procedures.
- [(h)] (i) The commission shall make available to the public the printed reports of its decisions, opinions and related materials at a reasonable cost not to exceed the actual cost thereof to said commission but not less than twenty-eight dollars per item.
- [(i)] (j) The Freedom of Information Commission shall not be construed to be a commission or board within the meaning of section 4-9a.
- Sec. 9. Subsection (k) of section 32-11a of the general statutes is repealed.
- Sec. 10. This act shall take effect July 1, 2000, except that sections 1 to 4, inclusive, 6 and 9 shall take effect October 1, 2000.

#### Statement of Legislative Commissioners:

Section 3 was divided into subsections and subdivisions for clarity and the word "All" was inserted in the beginning of section 4 for consistency.

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GAE Committee Vote: Yea 20 Nay 1 JFS

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

#### **OFA Fiscal Note**

**State Impact:** See Explanation Below

**Affected Agencies:** Freedom of Information Commission,

Department of Economic and Community Development, Connecticut Development

Authority (quasi-public)

Municipal Impact: None

## **Explanation**

## State Impact:

The bill requires the Freedom of Information Commission (FOIC) to develop and publish a model ordinance establishing municipal freedom of information advisory boards. It is anticipated that the FOIC will be able to develop the model ordinance within current budgetary resources. However, to the extent these municipal boards require FOIC staff to serve as a liaison, a cost may result. There is sufficient funding for this potential cost in the sHBH 5217, the House version of the appropriations act, as favorably reported on March 22, 2000. No funding sufficient for this purpose is contained in sHBS 5217, the Senate version of the appropriations act, as favorably reported on March 22, 2000.

Establishing municipal freedom of information advisory boards, will not reduce the FOIC's caseload because nothing precludes a

requestor from filing a complaint with FOIC, thus there is no fiscal impact. Broadening the FOIC's jurisdiction to include municipally designated agencies responsible for economic development plans will not increase the agency's caseload because requestors currently file complaints against these entities and the FOIC must open a case to determine if the entity is within the commission's jurisdiction. Thus, no fiscal impact is anticipated.

The changes made in the bill concerning exemptions under the Freedom of Information Act are not anticipated to impact the number or amount of financial agreements entered into by the Department of Economic and Community Development or the Connecticut Development Authority.

## Municipal Impact:

It is anticipated that towns will adopt the model ordinance and establish municipal freedom of information advisory boards, only to the extent there are available budgetary resources.

### **OLR Bill Analysis**

sHB 5684

# AN ACT CONCERNING PUBLIC ACCOUNTABILITY, ECONOMIC DEVELOPMENT AND PRIVATIZATION.

#### SUMMARY:

This bill:

- 1. subjects to the Freedom of Information Act (FOIA) municipallydesignated agencies that prepare and implement economic development plans;
- 2. expands exemptions under the act;
- 3. broadens the Freedom of Information Commission's (FOIC) authority to dismiss an appeal without a hearing;
- 4. requires the commission to establish and publish a model ordinance establishing a municipal freedom of information advisory board; and
- 5. grants towns the power to adopt the model ordinance and establish the municipal freedom of information advisory board.

EFFECTIVE DATE: October 1, 2000, except the requirement for a model ordinance and the exemption for reports or audits on a state information system's internal control structure are effective July 1, 2000.

#### **NEW AGENCIES SUBJECT TO THE FOIA**

The bill subjects to the FOIA municipally-designated agencies that prepare and implement economic development plans. These agencies may include an economic development or public works commission; sewer, water, port, harbor, or parking commission or authority; redevelopment agency; nonprofit development corporation; or any

other agency the town designates.

#### **FOIA EXEMPTIONS**

## Department of Economic and Community Development (DECD) Contracts

The bill exempts from disclosure under FOIA information DECD or the Community Development Agency (CDA) gets pursuant to any agreement entered before October 1, 2000. The exemption affects (1) financial assistance applications submitted to DECD or CDA before October 1, 2000 and (2) related information they obtain.

## Trade Secrets Generally

The bill exempts as a trade secret information that (1) gets its value when it is not known, or readily available, to people who could derive an economic gain from its use or disclosure and (2) is confidential. The information includes formulas, patterns, compilations, programs, devices, methods, techniques, processes, drawings, cost data, and customer lists. Under current law, a "trade secret" is an unpatented, secret, commercially valuable plan, appliance, formula, or process used to make, prepare, compound, treat, or process confidential trade commodities.

"Trade secrets" continue to include commercial and financial information given in confidence but not required by law.

#### Financial Assistance Trade Secrets

The bill eliminates an exemption under FOIA for grant, credit, and loan applications to DECD and CDA and all information obtained by them regarding any person or project. It instead exempts as trade secrets under FOIA, applications to DECD, CDA, or an implementing agency for grants, credits, or loans that include:

1. trade secrets, patents, marketing or business plans, plans for new products or services, reports of customer orders or sales, capital or strategic plans, or personal affairs;

- 2. information that will become a trade secret;
- 3. material that will be patented;
- 4. research and development information; or
- 5. other documents that would disclose information about the applicant's customers, potential customers, credit, or finances.

The bill specifies that this list does not include all of the information that may be exempted as a trade secret under FOIA. The exemption for applications to DECD, CDA, and implementing agencies also applies to their advisory boards and committees.

## **Audit Reports**

The bill exempts from disclosure under FOIA any audit or report prepared by the state auditors on a state information system's internal control structure.

#### FOIC'S AUTHORITY TO DISMISS APPEALS

The bill allows FOIC to dismiss an appeal without a hearing if it finds, after examining the appeal notice and construing the allegations in the appellant's favor, that the agency committed a technical violation that constitutes harmless error and does not infringe the appellant's rights under FOIA. The authority is limited to appeals from an agency's denial where the agency asked for a dismissal without a hearing. The commission already has the authority to dismiss appeals, using the same procedures, if it finds that the agency did not violate FOIA.

#### FOIC'S DUTY TO ESTABLISH A MODEL ORDINANCE

The bill requires the FOIC, by December 31, 2001, to create, publish, and provide to each town a model ordinance establishing a municipal freedom of information advisory board to facilitate the informed and efficient exchange of information between the commission and the town. The commission must provide the ordinance to the town's chief elected official and may occasionally amend it.

## **COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute Yea 20 Nay 1